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FISCAL IMPACT STATEMENT

LS 6869

BILL NUMBER: SB 157

NOTE PREPARED: Mar 27, 2007

BILL AMENDED: Mar 27, 2007

SUBJECT: Library Boards.

FIRST AUTHOR: Sen. Gard

FIRST SPONSOR: Rep. Austin

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill has the following provisions:

Class 1 Public Library Board Term Limits- The bill eliminates term limits for members of the board of a Class 1 public library.

Library Board Disbursement of Funds- The bill authorizes a library board to adopt a resolution allowing money to be disbursed to advertise and promote the programs and services of the library. The bill provides that with the prior written approval of the library board, claim payments for these expenses may be made in advance of the library board's allowance.

Contractual Library Duties and Responsibilities- The bill provides that the boards of county contractual libraries established in certain counties have all the powers and duties of a Class 1 public library board.

Library Oversight Responsibilities- The bill eliminates oversight responsibilities over the Indiana Cooperative Library Services Authority by the Indiana State Library (ISL) and the Indiana Library and Historical Board (the Board).

Effective Date: July 1, 2007.

Explanation of State Expenditures: (Revised) *Library Oversight Responsibilities-* Under the bill, the ISL and the Board would no longer have oversight responsibilities for the Cooperative Library Services Authority (CLSA). Responsibilities that would be repealed under the bill include the distribution of appropriations made by the General Assembly for distribution to CLSA. (The ISL currently distributes the funds to the

CLSA.)

Background: The General Assembly appropriated approximately \$2 M from the state General Fund for CLSA in FY 2007. CLSA also received revenue from several other state and local sources including: Build Indiana Fund, grants, membership fees, and service access fees. Total revenues expected to be received by the CLSA in FY 2007 amount to \$7 M.

Explanation of State Revenues:

Explanation of Local Expenditures: *Library Board Disbursement of Funds-* Class 1 public libraries, via a board resolution, would be allowed to make expenditures to advertise and promote library programs and services. Additional expenditures for these new purposes would be subject to local library board actions.

Contractual Library Duties and Responsibilities- The impact on local expenditures, as a result of this provision, would depend on local action with respect to the amount of bonds issued and leases entered into by the contractual library specified within the bill.

Background- There are about 238 public libraries with taxing authority. The following table illustrates the Dubois County Contractual Library's budget, levy, PTRC and tax rate for CY 2006.

Table A. Dubois County Contractual Library Budget/Levy

CY 2006 Certified Budget	CY 2006 PTRC	CY 2006 Levy	CY 2006 Tax Rate
\$288,300 Library General Fund; \$250,000 LIRF	\$0	\$159,500	0.0204

Explanation of Local Revenues:

State Agencies Affected: Indiana State Library; Indiana Library and Historical Board.

Local Agencies Affected: Class 1 public libraries; Dubois County Contractual Library.

Information Sources: Local Government Database (LOGODABA); Debbie Barnhart, Indiana State Library.

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